



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE

United States Patent and Trademark Office

Address: COMMISSIONER FOR PATENTS

P.O. Box 1450

Alexandria, Virginia 22313-1450

www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/805,097	03/19/2004	Gratian A. Joseph	GCBS.P001	7717
53186 7590 04/02/2009 COURTNEY STANIFORD & GREGORY LLP P.O. BOX 9686 SAN JOSE, CA 95157				
EXAMINER SHEIKH, ASFAND M				
ART UNIT		PAPER NUMBER		
3627				
MAIL DATE		DELIVERY MODE		
04/02/2009		PAPER		

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/805,097

Applicant(s)

JOSEPH ET AL.

Examiner

Asfand M. Sheikh

Art Unit

3627

Period for Reply -- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 19 March 2009.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-27 is/are pending in the application.
- 4a) Of the above claim(s) 11-27 is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-10 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 19 March 2004 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-8508)
- 4) ☐ Interview Summary (PTO-413)
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____
- Paper No(s)/Mail Date _____

DETAILED ACTION

Election/Restrictions

Applicant's election without traverse of Claim 1-10 in the reply filed on 3/19/2009 is acknowledged.

Claims 11-27 are withdrawn from further consideration pursuant to 37 CFR 1.142(b) as being drawn to a nonelected Group II, classified in claims 705, subclass 31, there being no allowable generic or linking claim.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-10 are rejected under 35 U.S.C. 101. Based on Supreme Court precedent and recent Federal Circuit decisions, a 35 U.S.C § 101 process must (1) be tied to a particular machine or (2) transform underlying subject matter (such as an article or materials) to a different state or thing. In re Bilski et al, 88 USPQ 2d 1385 CAFC (2008); Diamond v. Diehr, 450 U.S. 175, 184 (1981); Parker v. Flook, 437 U.S. 584, 588 n.9 (1978); Gottschalk v. Benson, 409 U.S. 63, 70 (1972); Cochrane v. Deener, 94 U.S. 780,787-88 (1876).

An example of a method claim that would not qualify as a statutory process would be a claim that recited purely mental steps. Thus, to qualify as a § 101 statutory process, the claim should positively recite the particular machine to which it is tied, for example by identifying the apparatus that accomplishes the method steps, or positively

recite the subject matter that is being transformed, for example by identifying the material that is being changed to a different state.

Here, applicant's method steps are not tied to a particular machine and do not perform a transformation. Thus, the claims are non-statutory.

The mere recitation of the machine in the preamble with an absence of a machine in the body of the claim fails to make the claim statutory under 35 USC 101. *Note the Board of Patent Appeals Informative Opinion Ex parte Langemyer et al.*

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-3 and 6-7 are rejected under 35 U.S.C. 103(a) as being unpatentable over Applicant's Admitted Prior Art within the Background of the Applicant's Specification (hereinafter APA) in view of Comtax, "Capital Gains Module," 3/5/2004 (hereinafter Comtax).

Claim 1

APA discloses, the method comprising: determining taxable income and calculating taxes for each business entity within a multinational group of companies (see at least, page 2, line 20-page 3 line 4); identifying intercompany transactions within the group

that have the effect of reducing the tax costs in the countries in which receiving and paying companies are located (see at least, page 3, line 5-16); calculating a tax cost of the transaction; routing the transaction among different group entities to reduce the tax cost (see at least, page 3, line 5-16); and calculating a worldwide tax cost as a result of implementing the identified intercompany transactions (see at least, page 3, line 5-16).

APA fails to disclose a computer-implemented method for minimizing the worldwide tax costs of a multinational group of companies (see at least, page 1).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of the APA to include computer-implemented method for minimizing the worldwide tax costs of a multinational group of companies as taught by Comtax. One of ordinary skill in the art would have been motivated to combine the teachings in order to accurately simulate gains by analyzing the capital gains taxation on cross-border sales of shares.

Claim 2

APA discloses further comprising the method of suggesting **one** or more strategies to reduce the tax cost (see at least, page 3, line 5-16);

Claim 3

APA discloses wherein the one or more suggested strategies includes one of obtaining a special tax rate by taking advantage of a local country tax holiday, establishing a special purpose entity, and avoiding a taxable presence (see at least, page 3, lines 5-

16: the examiner notes by routing through Switzerland the US avoids a taxable "presence" Japan).

Claim 6

APA discloses wherein the one or more suggested strategies includes routing the intercompany transaction through several transfer countries minimize withholding and mainstream taxes (see at least, page 3, lines 5-16).

Claim 7

APA discloses wherein one or more suggested strategies includes deferring tax payments in the receiving country by routing the income to holding company (see at least, page 3, lines 5-16).

Claims 4-5 and 8-10 are rejected under 35 U.S.C. 103(a) as being unpatentable over Applicant's Admitted Prior Art within the Background of the Applicant's Specification (hereinafter APA) in view of Comtax, "Capital Gains Module," 3/5/2004 (hereinafter Comtax), as applied to claim respective claims above, and further in view of Examiner's Official Notice.

Claim 4-5 and 8-10

APA in view of Comtax fails to disclose wherein the one or more suggested strategies includes maximizing tax deductions by maximizing the intercompany price charged and wherein the one or more suggested strategies includes maximizing interest deductions by infusing the maximum allowable intercompany debt and wherein one or more suggested strategies includes maximizing the foreign tax credits that can be claimed in the receiving country and further comprising the steps of: receiving user input regarding a selected strategy of the one or more suggested strategies; and verifying the selected strategy in relation to laws of the country in which the paying company is located and the country in which the receiving company is located and further comprising the step of automatically preparing and causing the filing of any applicable tax return documents for the company in the country in which the company is located.

The examiner takes Official Notice that it is old and well known in the art to have automated software, such as TurboTax, that will maximize tax deductions, maximize interest deductions, maximize tax credits, receiving user input with respect to said strategies and verifying that strategies abide by law, and automatically preparing tax

documents (e.g. the examiner notes that TurboTax is a fully automated software that performs multiple strategies in order to maximize gains).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of APA in view of Comtax to include the features as taught by the Examiner's Official Notice for the purpose of providing a fully automated system which can use a knowledge base to increase gain and further reduce chance of human error.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Asfand M. Sheikh whose telephone number is (571)272-1466. The examiner can normally be reached on 9a-5p.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Ryan M. Zeender can be reached on (571)272-6790. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Asfand M. Sheikh/
Examiner, Art Unit 3627
3/29/2009

/F. Ryan Zeender/
Supervisory Patent Examiner, Art Unit 3627